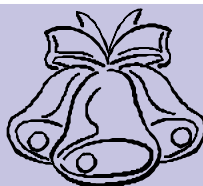


JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE



NEWS

December 1997

New Mandates: JLARC's Workload Doubles

Legislation enacted in the '97 session includes a number of major new mandates doubling JLARC's workload.

Additionally, as part of its mandates enacted in 1996, JLARC is monitoring the development and implementation of performance measures by state agencies. One focus of these efforts relates to clarifying and monitoring the performance measures of the state's new welfare reform program, WorkFirst, which JLARC is evaluating.

New study mandates include:

1997-99
Biennium

- A series of performance audits of the **State Transportation Agencies** (ESSB 6061).
- A performance audit of the **Workers' Compensation System** within the Department of Labor and Industries (L&I) (SSB 6030).
- An evaluation of the **WorkFirst Program (welfare reform)** (EHB 3901).
- A performance audit of the **Rural Area Marketing Plan** (2SSB 5740).
- A sunset review of **Rural Natural Resource Impact Areas** (2SHB 1201).
- A study of impacts due to **Simulcasting Parimutuel Horse Races**.

1999-01
Biennium

- Sunset review of the **Diabetes Cost Reduction Act** (2SSB 5178).
- Evaluation of the effect of **Involuntary Commitments** (SSB 5562).

Recent Studies

Continuation of Training for Dislocated Workers Recommended

A JLARC sunset review of the Workforce Employment and Training Program (WETP) found that the program is modestly effective in that program participants are slightly more likely to be employed and earn somewhat more money than similar unemployed workers who did not participate in the program. Participants who took more technically-oriented courses achieved relatively better results than those who took less technically-oriented classes.

WETP was created by the legislature in 1993 to provide funds for retraining dislocated workers. Although funded this biennium, the program is scheduled to terminate in 1998 under the Sunset Act. The WETP spends approximately \$30 million per year for about 7,000 additional community college training slots and financial aid that is targeted toward dislocated workers.

Based on its sunset review of the WETP, JLARC recommends continuation of the program, but that the training provided be better targeted toward higher-paying jobs.

JLARC Supports Actions to Assist Local Officials in Dealing with Chronic Public Inebriates

The Joint Legislative Audit and Review Committee recently conducted a survey aimed at identifying strategies used in various metropolitan areas around the country that are considered successful in dealing with chronic public inebriates. The program in Portland, Oregon, has been of particular interest since it is often pointed to as being a “national model.”

Although the Portland program is widely praised and appears to be worthy, there have been no evaluations or other types of outcome-based research to document claims of effectiveness. JLARC was unable to identify services in other metropolitan areas that are also viewed as model programs.

JLARC supports assisting local officials in dealing with this issue by taking action at the state level with respect to: modifying the Landlord/Tenant Act; monitoring restrictions on the sale of fortified wine; and evaluating policies related to the General Assistance-Unemployable Program.

Survey of School Nurses Finds Wide Variety in Staffing Patterns

A recent JLARC survey of school nurses shows that most school districts have at least one Registered Nurse (RN) on staff, but that students in smaller districts have more limited access to an RN than those in larger districts. Analysis of the districts’ responses shows that 94.7 percent of students have an RN in their district, with an average RN to student ratio of 1:1713. Many districts report contracting for health care services, and that both nursing and non-nursing staff perform and assist with medical procedures that legally require RN supervision.

School nurses are funded by state and local levy funds; however, the sources cannot be discretely identified because districts are not required to track expenditures by funding source.

Over 70 percent of the state’s school districts, representing 79 percent of all K-12 students, responded to the survey.

JLARC Managing Performance Audits of Transportation Agencies

During the last legislative session, amid controversy over the need for a proposed gas tax increase, JLARC was appropriated \$1.5 million to contract for performance audits of agencies funded in the transportation budget. JLARC staff are managing the contracts, and the audits themselves will be subject to all of JLARC’s standard oversight and reporting processes.

Phase 1

Following a nationwide Request for Proposal (RFP) process, JLARC awarded a contract to the firm of Booz-Allen & Hamilton of McLean, Virginia, to conduct an audit of the Ferry System, and a second contract to the firm of Cambridge Systematics, Inc., of Cambridge, Massachusetts, to conduct an audit of WSDOT’s Highways and Rail Programs. Preliminary audit reports are due in February of 1998.

An expanded public involvement process was incorporated into both audits. This included conducting a statewide survey to gather citizen’s perspectives on the highways and ferry systems, and conducting a series of focus groups to obtain the input of stakeholders and other interested parties.

Phase 2

RFPs to conduct performance audits of the State Patrol and the Department of Licensing will be developed and advertised over the next few months, with completion scheduled prior to the 1999 Legislative Session.





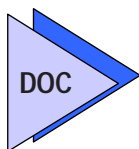
Performance Audit Looks at Improving Outcomes of the Workers' Compensation System

JLARC is conducting a performance audit of Washington State's Workers' Compensation System. The audit mandates that JLARC consult with members of the Senate and House Commerce and Labor Committees and the Workers' Compensation Advisory Committee in conducting the audit.

General topics to be covered are identified in the law and include: a review of the system's organizational structure, management principles, taxation system, reserve surpluses, types of services and programs offered, and the effectiveness of the system in returning injured workers to work.

JLARC staff initiated a pre-audit survey in June 1997 to interview interested parties and assemble reference materials in order to develop a preliminary Scope of Work for the project. A Project Advisory Group was then convened to provide feedback concerning the Scope of Work.

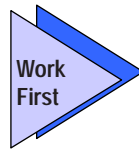
In October 1997, JLARC issued an RFP seeking proposals from qualified firms to conduct the performance audit. An RFP evaluation team has been formed to evaluate the proposals and make a recommendation to the Legislative Auditor, who will select the winning bidder. The contract is scheduled to begin by December 30, 1997, with a final report due in November 1998.



Department-Wide Performance Audit of Corrections

The Department of Corrections (DOC) is the focus of a major performance audit by JLARC this year. One of the fastest growing state agencies, DOC will spend approximately \$850 million in the current biennium. Legislators want JLARC to look into opportunities for cost savings and the cost-effectiveness of operations, along with the department's compliance with recent legislative direction on inmate work and education.

The full performance audit will be released late in the spring of 1998. However an interim briefing on inmate work and education will be presented to JLARC in January. That briefing will report on the department's compliance with major legislation, discuss the level of work and education programming, and identify how much of the time the inmate population is idle.



JLARC to Evaluate State's New Welfare Reform Program-- WorkFirst

A 1997 legislative mandate requires JLARC to conduct an evaluation of the WorkFirst Program, the state's new welfare reform program. The evaluation will assess the success of the program in assisting clients to become employed and to reduce their use of "temporary assistance for needy families."

The research design for this study has four components. The first is a process study, which will describe the design, implementation, operation, and costs of the program. The second component is a within-program assessment of outcomes, which will analyze outcomes of various treatments provided to WorkFirst clients. The third component, a net impact study, is designed to measure the difference between the gross impact of the program and what would have happened in the absence of the program. A cost-benefit study, the fourth and final component, will evaluate the most cost-efficient or cost-effective treatment for particular sub-groups of participants and the WorkFirst population as a whole.

JLARC staff will administer the evaluation, monitor WorkFirst performance measures, and conduct the process study. The Washington State Institute for Public Policy, on contract to JLARC, will conduct the within-program assessment of outcomes, the net impact study, and the cost-benefit analysis.

Additionally, legislative and technical advisory groups have been established to review and comment on works in progress.

JLARC will present annual reports to the legislature in December 1998 and 1999 on the status of program implementation and impacts.



DOWNLOAD !!

Download JLARC reports and one-page summaries from our Web site. The Web site has complete information about committee membership, schedule, projects, reports, and newsletters.

<http://www.leg.wa.gov/www/lbc/>

Committee Highlights

JLARC Welcomes New Committee Members and Elects New Officers

JLARC would like to welcome its newest committee members: Senators Valoria Loveland and James West; and Representatives Bill Backlund, Georgia Gardner, Tom Huff, and Mike Wensman.

We would also like to take this opportunity to acknowledge JLARC's newly elected officers: Representative Cathy McMorris, Chair; Senator Al Bauer, Vice Chair; Representative Val Ogden, Secretary; and Senator James West, Assistant Secretary.

Special thanks to Senator Al Bauer, Representative Val Ogden, and Senator Eugene Prince for their many contributions while serving in their previous positions of chair, secretary, and assistant secretary, respectively.

Legislative Auditor Briefs Committee on Promoting Performance-Based Government

Legislative Auditor Cheryle Broom reported that JLARC, in collaboration with other statutory committees, published a resource guide to aid legislators in their review of agencies' strategic plans, performance measures, and budgets. JLARC staff also facilitated strategic planning and performance-based government training for legislative and executive staff, and participated in similar training for legislators in coordination with representatives from the Office of Financial Management and the Office of the State Auditor. More recently, the committee agreed to use the WorkFirst evaluation as a pilot for legislative review of performance measures. Future newsletters will report the results of these and other performance improvement projects.



Committee Members

SENATORS

Al Bauer, *Vice Chair*
Valoria Loveland
Bob Oke
Harriet Spanel
Val Stevens
Gary Strannigan
James West, *Asst. Secretary*
R. Lorraine Wojahn

LEGISLATIVE AUDITOR

Cheryle A. Broom

REPRESENTATIVES

Bill Backlund
Georgia Gardner
Tom Huff
Cathy McMorris, *Chair*
Val Ogden, *Secretary*
Debbie Regala
Helen Sommers
Mike Wensman

JLARC

506 16th Avenue SE
Olympia, WA 98501-2323
(Campus Mail: PO Box 40910)

Tel 360-786-5171

FAX 360-786-5180

TDD 1-800-635-9993

Internet <http://www.leg.wa.gov/www/lbc/>

JLARC welcomes your feedback on newsletter content. Please contact Curt Rogers at (360) 786-5171, or e-mail at rogers_cu@leg.wa.gov if you have comments or suggestions about items of interest you would like to see included in future newsletters.